UNITED
NATIONS

Distr.
GENERAL

FCCC/SBI/1997/16
29 August 1997

Original: ENGLISH

SUBSIDIARY BODY FOR IMPLEMENTATION
Sixth session
Bonn, 28 July - 5 August 1997

REPORT OF THE SUBSIDIARY BODY FOR IMPLEMENTATION ON THE WORK OF ITS SIXTH SESSION, BONN, 28 JULY - 5 AUGUST 1997

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I. OPENING OF THE SESSION
(Agenda item 1)

1. The sixth session of the Subsidiary Body for Implementation (hereinafter referred to as "the SBI") was held at the Hotel Maritim, Bonn, from 28 July to 5 August 1997.

2. The Chairman of the SBI, Mr. Mohamed M. Ould El Ghaouth, opened the session at the 1st meeting, on 28 July 1997. In welcoming the participants, he noted that the sixth session of the SBI would have to adopt definitive conclusions on some issues if the SBI were to complete its workload by the October session.

II. ORGANIZATIONAL MATTERS
(Agenda item 2)

A. Adoption of the agenda
(Agenda item 2 (a))

3. At its 1st meeting, on 28 July, the SBI considered the provisional agenda contained in document FCCC/SBI/1997/7.

4. Statements were made by representatives of five Parties.

5. At its 1st meeting, on 28 July, the SBI adopted the following agenda:

1. Opening of the session.

2. Organizational matters:

   (a) Adoption of the agenda;

   (b) Organization of the work of the session;

   (c) Preparation by the SBI for the third session of the Conference of the Parties (COP 3).

3. Division of labour between the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

4. National communications:

   (a) Communications from Parties included in Annex I to the Convention;

   (b) Communications from Parties not included in Annex I to the Convention.

5. Financial mechanism: Review process referred to in decision 9/CP.1.

6. Development and transfer of technologies.

7. Administrative and financial matters:

   (a) Programme budget for 1998-1999;

   (b) Volume of documentation.

8. Arrangements for intergovernmental meetings:

   (a) Arrangements for COP 3;

   (b) Arrangements for COP 4;

   (c) Calendar of meetings for 1997-1999.

9. Matters arising from the United Nations General Assembly: Special session on Agenda 21.

10. Mechanisms for consultation with non-governmental organizations (NGOs).

11. Report on the session.

B. Organization of the work of the session
(Agenda item 2 (b))

6. At its 1st meeting, on 28 July, the Chairman stated that services would be available from 10 a.m. to 1 p.m. and from 3 p.m. to 6 p.m. on the days allotted to the SBI. The SBI approved the organization of the work as presented by the Chairman. The Chairman also referred to the documentation before the sixth session, as contained in document FCCC/SBI/1997/7.

7. The SBI agreed to admit two new intergovernmental organizations and ten non-governmental organizations that had been screened by the secretariat, on the basis of the provisions in paragraph 6 of Article 7 of the Convention, without prejudice to the subsequent action by the Conference of the Parties (COP).

C. Preparation by the SBI for COP 3
(Agenda item 2 (c))

8. The Chairman invited delegates to prepare, to the extent possible, recommendations for appropriate decisions to be adopted by the COP at its third session, and recalled that this approach had already been taken in previous sessions.

D. Attendance

9. The lists of attendance at the sixth session of the SBI are given in document FCCC/1997/INF.3.

E. Documentation

10. The documents prepared for the sixth session of the SBI are listed in annex I to this document.

III. DIVISION OF LABOUR BETWEEN THE SBI AND THE SBSTA
(Agenda item 3)

1. Proceedings

11. At its 1st and 4th meetings, on 28 and 30 July respectively, the SBI addressed the item on the division of labour between the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA). It had before it a document presented by the secretariat (FCCC/SB/1997/2).

12. A statement was made by the representative of a Party.

2. Conclusion

13. At its 5th meeting, on 5 August, having considered a proposal by the Chairman, the SBI adopted the following conclusion:

(a) At their sixth sessions, the SBI and the SBSTA both recommended for adoption by the COP at its third session the decision contained in annex II to this document.

IV. NATIONAL COMMUNICATIONS
(Agenda item 4)

A. Communications from Parties included in Annex I to the Convention
(Agenda item 4 (a))

1. Proceedings

14. At its 4th and 5th meetings, on 30 July and 5 August respectively, the SBI addressed the sub-item on national communications from Parties included in Annex I to the Convention. It had before it five documents presented by the secretariat (FCCC/SB/1997/5, FCCC/SB/1997/6, FCCC/SB/1997/INF.3, FCCC/IDR.1/(country code), FCCC/IDR.1(SUM)/(country code)).

15. Statements were made by representatives of five Parties, including one speaking on behalf of the European Community and its member States.

2. Conclusions

16. At its 5th meeting, on 5 August, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of the report of the secretariat on the progress made in the process of review of the first national communications from Annex I Parties. The SBI requested the secretariat to prepare a report on the experiences with the review process of the first national communications, for consideration at its next session;

(b) The SBI expressed concern at the late submission of communications by many Annex I Parties, and urged those Parties which have not yet submitted their second national communications to do so as soon as possible;

(c) The SBI urged all Annex I Parties to submit their views on the schedule of in-depth reviews of the second national communications no later than 25 August and requested the secretariat to prepare the final schedule for consideration at the next session of the SBI;

(d) The SBI expressed its gratitude to the Parties and intergovernmental organizations which made available their experts for participation in in-depth reviews and encouraged Parties, especially developing country Parties, to continue nominating experts for the in-depth reviews, in particular Parties that recently acceded to the Convention;

(e) The SBI took note of the report on the informal workshop on communications from Annex I Parties held in conjunction with the sixth session of the SBI;

(f) The SBI requested the secretariat to submit, at its next session, a report on progress achieved so far in returning individually or jointly to their 1990 levels anthropogenic emissions of CO_2 and other greenhouse gases not controlled by the Montreal Protocol and projected emissions by sources and removals by sinks of such gases in the year 2000 by each Annex I Party, on the basis of its national communication; and

(g) The SBI requested Annex II Parties that have not already done so, to provide detailed information in accordance with Article 12.3 on financial resources and transfer of technology and know how, as also stated in paragraph 42 of the annex to decision 9/CP.2.

B. Communications from Parties not included in Annex I to the Convention
(Agenda item 4 (b))

1. Proceedings

17. At its 2nd and 5th meetings, on 29 July and 5 August respectively, the SBI addressed the sub-item on national communications from Parties not included in Annex I to the Convention. It had before it four documents presented by the secretariat (FCCC/SBI/1997/9, FCCC/SBI/1997/13, FCCC/SBI/1997/MISC. 4, FCCC/SBI/1997/MISC. 5).

18. Statements were made by representatives of 24 Parties, including one speaking on behalf of the European Community and its member States and one speaking on behalf of the Group of 77 and China.

2. Conclusions

19. At its 5th meeting on 5 August, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of the activities of the secretariat to facilitate technical and financial support for the preparation of national communications of non-Annex I Parties;

(b) The SBI also took note of the views expressed by Parties on the preparation and consideration of communications from non-Annex I Parties and of the two draft decisions on the consideration of initial communications from Parties not included in Annex I to the Convention. These two draft decisions can be found in appendices I and II respectively to this document, and are reproduced in the language in which they were received and without formal editing;

(c) The SBI invited Parties to submit further views on these matters by 8 September 1997 and requested the secretariat to compile these submissions. These will be made available at the next session of the SBI to facilitate consideration of a draft decision for submission to COP 3.

V. FINANCIAL MECHANISM: REVIEW PROCESS REFERRED TO IN DECISION 9/CP.1

(Agenda item 5)

1. Proceedings

20. At its 2nd, 3rd and 5th meetings, on 29 July and 5 August respectively, the SBI addressed the item on the financial mechanism: review process referred to in decision 9/CP.1. It had before it three documents presented by the secretariat (FCCC/SBI/1997/8, FCCC/SBI/1997/MISC. 3 and Add.1).

21. Statements were made by representatives of 15 Parties, including one speaking on behalf of the European Community and its member States and two speaking on behalf of the Group of 77 and China.

2. Conclusions

22. At its 5th meeting, on 5 August, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI, taking into account the views expressed on this agenda item and the draft decision proposed by the Chairman, decided to defer further consideration of this item to its next session. This draft decision proposed by the Chairman can be found in appendix III to this document, and is reproduced in the language it was received and without formal editing;

(b) The SBI urged all Parties to submit their views on the financial mechanism in accordance with the guidelines for its review no later than 15 September 1997 and requested the secretariat to prepare a miscellaneous compilation of these views for consideration at its seventh session; and

(c) The SBI invited the Global Environment Facility (GEF), in providing information relevant to the review, to take into account the views expressed by the Parties.

VI. DEVELOPMENT AND TRANSFER OF TECHNOLOGIES
(Agenda item 6)

1. Proceedings

23. At its 4th meeting, on 30 July, the SBI addressed the item on development and transfer of technologies. It had before it three documents presented by the secretariat (FCCC/SB/1997/3, FCCC/SB/1997/4, FCCC/TP/1997/1).

2. Conclusion

24. At its 4th meeting, on 30 July, the SBI, on a proposal by the Chairman, decided to refer this item to the SBSTA for its consideration.

VII. ADMINISTRATIVE AND FINANCIAL MATTERS
(Agenda item 7)

A. Programme budget for 1998-1999
(Agenda item 7 (a))

1. Proceedings

25. At its 1st and 5th meetings, on 28 July and 5 August respectively, the SBI addressed the sub-item on administrative and financial matters: programme budget for 1998-1999. It had before it three documents presented by the Executive Secretary (FCCC/SBI/1997/10, FCCC/SBI/1997/INF.1, FCCC/SBI/1997/INF.2). In presenting these documents at the 1st meeting, the Executive Secretary also drew attention to delays in contributions to the core budget and to the recurrent shortage of money in the Trust Fund for participation. He stated the intention by the secretariat to link eligibility for the latter with the state of payments by Parties to the former.

26. Statements were made by the representatives of five Parties, including one speaking on behalf of the European Community and its member States. After the adoption of the conclusions below, the Executive Secretary made a statement.

2. Conclusions

27. At its 5th meeting on 5 August, having considered a proposal by the Chairman, the SBI recommended for adoption by the COP at its third session the budget decision included in annex III to this document which would require finalization at the Conference with respect to the contingencies indicated therein.

28. The SBI, in consequence of the above:

(a) Authorized the Executive Secretary to notify the Parties by 1 October 1997 of their contributions to the core budget by 1 January 1998 on the basis of the budget recommended to the COP and the contingencies included in paragraphs 6 and 7 of the above draft decision and on the basis of the existing indicative scale of contributions (decision 15/CP.1, para. 7(a) and annex II of that decision) to be subsequently adapted to reflect any changes agreed upon by the General Assembly in the United Nations scale of assessments; and

(b) Invited the President of the COP to communicate to the Secretary-General of the United Nations the recommended level of remuneration of the post of Executive Secretary so that an appointment to that post may be made for a period beginning 1 January 1998.

B. Volume of documentation
(Agenda item 7 (b))

1. Proceedings

29. At its 1st, 4th and 5th meetings, on 28 and 30 July and 5 August respectively, the SBI addressed the sub-item on administrative and financial matters: volume of documentation. It had before it a document presented by the secretariat (FCCC/SBI/1997/12).

30. Statements were made by representatives of ten Parties. After the adoption of the conclusions below, the Executive Secretary made a statement.

2. Conclusion

31. At its 5th meeting, on 5 August, having considered a proposal by the Chairman, the SBI recommended for adoption by the COP at its third session the decision contained in annex IV to this document.

VIII. ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS
(Agenda item 8)

1. Proceedings

32. At its 3rd, 4th and 5th meetings, on 29 and 30 July and 5 August respectively, the SBI considered the item on arrangements for intergovernmental meetings. It addressed the sub-items (a) arrangements for COP 3, (b) arrangements for COP 4, and (c) calendar of meetings for 1997-1999. It had before it a document presented by the Executive Secretary (FCCC/SBI/1997/11).

33. Statements were made by representatives of 21 Parties, including one speaking on behalf of the European Community and its member States and one speaking on behalf of the Group of 77 and China.

A. Arrangements for COP 3
(Agenda item 8 (a))

2. Conclusions

34. The SBI, at its sixth session, recalling conclusions adopted at its fifth session and on the basis of proposals presented by the Chairman, as well as views expressed by delegations:

(a) Took note of the report by the Executive Secretary on the progress made regarding arrangements for COP 3 and urged the Government of Japan and the secretariat to conclude expeditiously the arrangements for hosting the Conference;

(b) Requested the Executive Secretary and the President of the Bureau of the COP when finalizing the provisional agenda for COP 3 to take into account views expressed by delegations concerning the content and order of the provisional agenda;

(c) Requested the secretariat to make all necessary preparations for COP 3 to consider the second review of the adequacy of Article 4.2, subparagraphs (a) and (b), and invited COP 3 to place on the agenda for COP 4 the second review of Article 4.2, subparagraphs (a) and (b), of the Convention;

(d) Recommended that COP 3 undertake a review of available information, in accordance with Article 4.2(f), with a view to taking decisions regarding amendments to the lists in Annexes I and II of the Convention;

(e) Requested the Executive Secretary to proceed with the organizational preparations for COP 3, in particular, the organization of work on the basis of the proposals contained in paragraphs 15 to 45 of document FCCC/SBI/1997/11, seeking advice from the Bureau as needed and taking into account views and comments expressed by delegations during the current session;

(f) Invited the President of COP 2 to start consultations with a view to advising the newly-elected President of COP 3 on the election of the other members of the Bureau and the Chairman of the Committee of the Whole;

(g) Recommended the holding of a High Level Segment of Ministers and other Heads of Delegations at COP 3 from 8 to 10 December to promote decision-making and noted that it should be open to participation by Ministers and other Heads of Delegations in all its meetings, accompanied by senior advisers as necessary; and

(h) Agreed to conduct a preliminary exchange of views at the next session of the SBI on the proposed amendments to the Convention.

B. Arrangements for COP 4
(Agenda item 8 (b))

3. Conclusions

35. The SBI noted that, as at its sixth session, no offer had been received to host the fourth session of the Conference of the Parties (COP 4).

36. The SBI took note of the comments expressed by the Parties on the date and venue for COP 4 and recommended the decision contained in annex V to this document for adoption by the COP at its third session.

37. The SBI invited any Party considering to make an offer to host COP 4 to communicate such proposal to the secretariat before 30 September 1997 so that the secretariat can take it into account in its planning for the Conference.

C. Calendar of meetings for 1997-1999
(Agenda 8 (c))

4. Conclusion

38. The SBI took note of the calendar of meetings for 1998-1999 proposed by the secretariat which will be kept under review by the Bureau of the COP.

IX. MATTERS ARISING FROM THE UNITED NATIONS GENERAL ASSEMBLY: SPECIAL SESSION ON AGENDA 21
(Agenda item 9)

1. Proceedings

39. At its 4th meeting, on 30 July, the SBI addressed the item on matters arising from the United Nations General Assembly: special session on Agenda 21. The secretariat made available an extract from the conclusions.

2. Conclusion

40. At its 4th meeting on 30 July, having considered a proposal by the Chairman, the SBI took note of the information provided by the secretariat.

X. MECHANISMS FOR CONSULTATION WITH NON-GOVERNMENTAL ORGANIZATIONS (NGOs)

(Agenda item 10)

1. Proceedings

41. At its 4th meeting, on 30 July, the SBI addressed the item on mechanisms for consultation with non-governmental organizations (NGOs). It had before it three documents presented by the Executive Secretary (FCCC/SBI/1997/14, FCCC/SBI/1997/14/Add.1, FCCC/SBI/1997/MISC.6).

42. Statements were made by representatives of 13 Parties, including one speaking on behalf of the European Community and its member States.

43. The representatives of three constituencies of non-governmental organizations made statements.

2. Conclusions

44. At its 4th meeting, on 30 July, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of documents FCCC/SBI/1997/14 and FCCC/SBI/1997/14/Add.1 presented by the secretariat on agenda item 10, mechanisms for consultations with non-governmental organizations.

(b) After having considered this item, and taking into account views expressed at its sixth session, the SBI urged all Parties to submit their views on this item no later than 25 August 1997 for its consideration at its seventh session.

(c) The SBI decided to consider this issue at its seventh session.

XI. REPORT ON THE SESSION

(Agenda item 11)

45. The SBI requested the Rapporteur, with the guidance of the Chairman and the assistance of the secretariat, to complete the report on the session taking into account the discussions during the session and the need for editorial adjustments.

46. The Chairman, after thanking all participants for their co-operation throughout the meeting, declared the sixth session of the SBI closed.

Annex I

DOCUMENTS BEFORE THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS SIXTH SESSION

Documents prepared for the session

FCCC/SBI/1997/7	Provisional agenda and annotations. Note by the Executive Secretary.
FCCC/SBI/1997/8	Financial and technical cooperation: Financial mechanism: Review process referred to in decision 9/CP.1. Synthesis report.
FCCC/SBI/1997/9	Communications from Parties not included in Annex I to the Convention: Secretariat activities to facilitate the provision of financial and technical support. Progress report.
FCCC/SBI/1997/10	Administrative and financial matters: Proposed Programme Budget of the Convention for the Biennium 1998-1999.
FCCC/SBI/1997/11	Arrangements for intergovernmental meetings. Note by the Executive Secretary.
FCCC/SBI/1997/12	Volume of documentation. Note by the secretariat.
FCCC/SBI/1997/13	Communications from Parties not included in Annex I to the Convention: Information on the submission of initial national communications.
FCCC/SBI/1997/14	Mechanisms for consultations with non-governmental organizations (NGOs). Note by the secretariat.
FCCC/SBI/1997/14/Add.1	Mechanisms for consultations with non-governmental organizations. Addendum. The participation of NGOs in the Convention process. Note by the Executive Secretary.

FCCC/SBI/1997/15	Arrangements for intergovernmental meetings. Amendments to the Convention or its Annexes. Letters from the Islamic Republic of Pakistan, the Azerbaijan Republic, the Netherlands (on behalf of the European Community and its Member States) and Kuwait proposing amendments to the Convention or its Annexes. Note by the secretariat.
FCCC/SBI/1997/INF.1	Administrative and financial matters. Proposed Programme Budget of the Convention for the Biennium 1998-1999. Detailed subprogramme activities and resource requirements.
FCCC/SBI/1997/INF.2	Administrative and financial matters. Review of Administrative Arrangements. Note by the secretariat.
FCCC/SBI/1997/MISC.3	Financial mechanism: Review process referred to in decision 9/CP.1. Compilation of submissions. Note by the secretariat.
FCCC/SBI/1997/MISC.3/Add.1	Financial mechanism: Review process referred to in decision 9/CP.1. Additional submission. Addendum. Note by the secretariat.
FCCC/SBI/1997/MISC.4	Communications from Parties not included in Annex I to the Convention: Information on relevant action by the Council of the Global Environment Facility. Note by the secretariat.
FCCC/SBI/1997/MISC.5	Communications from Parties not included in Annex I to the Convention: Views of Parties on a process for considering non-Annex I communications. Note by the secretariat.
FCCC/SBI/1997/MISC.6	Mechanisms for consultations with non-governmental organizations: Note by the secretariat.

Other documents for the session

FCCC/SBI/1997/6	Report of the Subsidiary Body for Implementation on the work of its fifth session, Bonn 25 February - 6 March 1997.

FCCC/SBI/1997/L.1/Add.1	Matters arising from the United Nations General Assembly: Special session on Agenda 21: inputs from UNFCCC.
FCCC/SBI/1997/L.2	Draft Report of the Subsidiary Body for Implementation on the work of its sixth session, Bonn, 28 July - 5 August 1997.
FCCC/SBI/1997/L.3	Arrangements for intergovernmental meetings. Draft conclusions by the chairman.
FCCC/SBI/1997/L.4	Arrangements for intergovernmental meetings. Draft conclusions by the Chairman. Arrangements for COP 4. Calendar of meetings for 1998-1999.
FCCC/SB/1997/1	Progress report on technology and technology transfer: Note by the secretariat.
FCCC/SB/1997/2	Division of labour between the subsidiary bodies established by the Convention. Note by the Chairmen.
FCCC/SB/1997/3	Development and Transfer of Technologies: Progress report. Note by the secretariat.
FCCC/SB/1997/4	Development and Transfer of Technologies: Update to progress report.
FCCC/SB/1997/5	National Communications. Communications from Parties included in Annex I to the Convention. Tentative schedule of the in-depth review of the second national communications of Parties included in Annex I to the Convention. Note by the secretariat.
FCCC/SB/1997/6	Communications from Parties included in Annex I to the Convention: Inventory and projection data.
FCCC/SB/1997/INF.1	Communications from Parties not included in Annex I to the Convention: Secretariat activities to facilitate the provision of support to non-Annex I Parties for the preparation of their initial national communications. Note by the secretariat.
FCCC/SB/1997/INF.2	Programme of work on methodologies.

FCCC/SB/1997/INF.3	Status report on the review of first national communications from Annex I Parties and the submission of second national communications.
FCCC/TP/1997/1	Trends of financial flows and terms and conditions employed by multilateral lending institutions. First Technical Paper on Terms of transfer of technology and know-how.
FCCC/CP/1996/15 and Add. 1	Report of the Conference of the Parties on its second session, held at Geneva from 8 to 19 July 1996.
FCCC/IDR.1/(country code)	(Country name) - Report on the in-depth review of the national communication of (country name).
FCCC/IDR.1(SUM)/(country code)	Summary of the report on the in-depth review of the national communication of (country name).
FCCC/SBSTA/1997/4	Report of the Subsidiary Body for Scientific and Technological Advice on the work of its fifth session, Bonn, 25-28 February 1997.
A/AC.237/91/Add.1	Report of the intergovernmental negotiating committee for a Framework Convention on Climate Change on the work of its eleventh session held at New York from 6 to 17 February 1995. Part two: Recommendations to the Conference of the Parties and other decisions and conclusions of the committee.

Annex II

DIVISION OF LABOUR BETWEEN THE SUBSIDIARY BODY FOR IMPLEMENTATION AND THE SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

Draft decision for the COP

The Conference of the Parties,

Recalling Articles 9 and 10 of the United Nations Framework Convention on Climate Change,

Recalling also its decision at its second session that the division of labour between the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation be taken up by the Conference of the Parties at its third session on the basis of recommendations made to it by the Chairmen of the two subsidiary bodies (FCCC/CP/1996/15/Add. 1, Part III, para. 4),

Having considered the recommendations made by the Chairmen, through the conclusions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, as included in the reports of their sixth sessions,

Desiring to further elaborate the division of labour between the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation,

*Decide*s that:

1. The division of labour is governed by Articles 9 and 10 of the Convention, and by decisions 6/CP.1, and other relevant decisions of the Conference of the Parties.

2. As indicated in decision 6/CP.1, the role of the subsidiary bodies can be broadly characterized as follows:

(a) The Subsidiary Body for Scientific and Technological Advice will be the link between the scientific, technical and technological assessments and the information provided by competent international bodies, and the policy-oriented needs of the Conference of the Parties; and

(b) The Subsidiary Body for Implementation will develop recommendations to assist the Conference of the Parties in its review and assessment of the implementation of the Convention and in the preparation and implementation of its decisions.

3. The consideration of issues which are pertinent to both bodies should take place in a way which is efficient in the use of time during meetings, to avoid confusion and to reduce the overall workload. Therefore, in general, one of the bodies will take the overall responsibility in considering an issue. If necessary, it will request adequate and specific inputs from the other body. Where overall responsibility is not assigned, agendas should be organized to ensure that the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation avoid dealing with such issues in parallel sessions. On issues where this is not possible, consideration should be given to holding ad-hoc joint sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation. On this basis, the provisions above are clarified as follows:

I. National communications from Parties

4. The Subsidiary Body for Implementation will have the overall responsibility for:

(a) Developing guidelines on the processes for consideration of national communications;

(b) Considering the information contained in national communications, other relevant documentation and compilation and synthesis reports, with a view to assisting the Conference of the Parties in undertaking its tasks under Article 7.2(e).

5. In co-operation with the Subsidiary Body for Implementation, the Subsidiary Body for Scientific and Technological Advice will have responsibility for:

(a) Developing guidelines for the provision of comparable information, including all related methodological issues; and

(b) Considering, upon the request of the Subsidiary Body for Implementation, as appropriate, national communications and other relevant documentation, such as technical papers, with the aim of, *inter alia*, verifying methodologies used and making recommendations on their refinement; preparing scientific assessments on the effects of measures taken in the implementation of the Convention; reviewing projections and their assumptions; and assessing comprehensiveness and effectiveness of mitigation and adaptation measures.

II. Development and transfer of technology

6. The Subsidiary Body for Implementation will, with input from the Subsidiary Body for Scientific and Technological Advice as appropriate, have responsibilities for assisting the Conference of the Parties in the assessment and review of the effective implementation of the Convention with respect to the development and transfer of technology.

7. As stipulated in the Convention, and as decided by the Conference of the Parties in decision 6/CP.1, the Subsidiary Body for Scientific and Technological Advice will have responsibility for providing advice on all scientific, technological and methodological aspects of the development and transfer of technology.

III. Consultations with non-governmental organizations

8. Taking into account the competence of each subsidiary body, the Subsidiary Body for Implementation will have overall responsibility for all policy questions and relevant inputs related to issues dealing with consultation with non-governmental organizations, as appropriate.

9. Should the Subsidiary Body for Scientific and Technological Advice or any other subsidiary body feel that non-governmental organizations could provide relevant input on an item being considered, that body could seek and consider such inputs.

10. Provisional accreditation related to individual non-governmental organizations will be the responsibility of the relevant body involved.

IV. Activities implemented jointly

11. The Subsidiary Body for Scientific and Technological Advice will have the responsibility for:

(a) Developing the framework for reporting, including consideration of scientific, technical and methodological aspects of the reports; and

(b) Preparing a synthesis report of activities for the Conference of the Parties.

12. The Subsidiary Body for Implementation will have the responsibility for:

(a) Assisting the Conference of the Parties with reviewing the progress of the activities implemented jointly under the pilot phase, on the basis of inputs by the Subsidiary Body for Scientific and Technological Advice.

V. Research and systematic observation

13. In accordance with Article 5 of the Convention, the Subsidiary Body for Scientific and Technological Advice will have the overall responsibility for issues related to research and systematic observation, drawing, where necessary, upon the Subsidiary Body for Implementation. The Subsidiary Body for Scientific and Technological Advice shall also play a co-ordination role in such activities related to climate change relevant to the implementation of the Convention.

14. The Subsidiary Body for Implementation, with input from the Subsidiary Body for Scientific and Technological Advice as appropriate, will have the responsibility for assisting the Conference of the Parties in the assessment and review of the effective implementation of the Convention, with respect to research and systematic observation.

VI. Education, training and public awareness

15. In further clarification to decision 6/CP.1, the Subsidiary Body for Scientific and Technological Advice will have the overall responsibility in providing advice on educational, training, and public awareness programmes, as well as public access to information. When considering such issues, the Subsidiary Body for Scientific and Technological Advice will draw upon, *inter alia*, relevant international organizations.

16. The Subsidiary Body for Implementation, with input from the Subsidiary Body for Scientific and Technological Advice as appropriate, will have responsibility for assisting the Conference of the Parties in the assessment and review of the effective implementation of the Convention with respect to education, training, and public awareness.

Annex III

ADMINISTRATIVE AND FINANCIAL MATTERS: PROGRAMME BUDGET FOR 1998-1999

Draft decision for the COP

The Conference of the Parties,

Recalling paragraph 4 of the financial procedures for the Conference of the Parties,

Having considered the proposed budget for the biennium 1998-1999 submitted by the Executive Secretary (FCCC/SBI/1997/10),

Noting the annual contribution of the host Government, DM 1.5 million, which offsets planned expenditures,

1. *Approves* the programme budget for the biennium 1998-1999, amounting to [$X], for the purposes specified in Table 1 below;

2. *Approves* the staffing table for the programme budget, including the post of the Executive Secretary at the level of Assistant Secretary General and two other senior posts at the level of D-2, as contained in Table 2 below;

3. *Approves* a contingency budget for conference servicing, amounting to US$ 5,184,900, to be added to the programme budget for the coming biennium in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the regular United Nations budget for 1998-1999 (see Table 3 below);

4. [*Decides* to incorporate in the programme budget for the biennium 1998-1999, approved under paragraph 1 above, and the staffing table approved under paragraph 2 above, the resources for a post-Kyoto intergovernmental process contingent upon the decision by the Conference of the Parties at its 3rd session to that effect, and as agreed by the Subsidiary Body for Implementation at its sixth session, amounting to US$ 840,400 (see Table 4 below);]

5. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at its first session in 1998 on the implementation of paragraph 3 above;

6. *Authorizes* the Executive Secretary to make transfers, between each of the main appropriation lines set out in Table 1, up to an aggregate limit of 15 per cent of total

estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

7. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;

8. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8(b) of the financial procedures and to pay promptly and in full, for each of the years 1998 and 1999, the contributions required to finance expenditures approved under paragraph 1 [and 4] of this decision, as offset by estimated contributions noted under paragraph 3 herein, and the contributions which may result from the decision of the General Assembly referred to in paragraph 3 above;

9. *Takes note* of the funding estimates for the Trust Fund for Participation in the United Nations Framework Convention on Climate Change Process and the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change specified by the Executive Secretary and included in Table 5 in this note, and invites Parties to make contributions to these funds; and

10. *Requests* the Executive Secretary to report to the Conference of the Parties at its next session on income and budget performance, and to propose any adjustments that might be needed in the Convention budget for 1998-1999.

Table 1. Programme budget for the biennium 1998-1999 (US$ thousand)

Expenditures	**1998**	**1999**
I. Programmes		
Executive Direction and Management	621.3	642.8
Science and Technology	2,223.1	2,779.4
Implementation	2,333.6	2,553.0
Conference and Information Support	1,500.1	1,901.2
Resources, Planning and Coordination	1,599.5	1,807.6
Subtotal (I)	8,277.6	9,684.0
II. Payments to the United Nations		
Overhead charge[1]	1,076.1	1,258.9
Subtotal (II)	1,076.1	1,258.9
III. Working capital reserve[2]	77.0	131.9
Subtotal (III)	77.0	131.9
Total Expenditure Lines (I+II+III)	9,430.7	11,074.8
Income		
I. Contribution from the host Government	887.6	887.6
Total Income	887.6	887.6
NET TOTAL	8,543.1	10,187.2

[1] Standard 13 per cent applied by the United Nations for administrative support.

[2] In accordance with paragraph 14 of the financial procedures (see decision 15/CP.1). This will bring the level of the wor king capital reserve to $907,100 in 1998 and $1,000,400 in 1999 (see paragraphs 17 to 19).

Table 2. Programme budget staffing table 1998-1999

		1998	1999
A.	Professional category and above		
	Executive Secretary	1	1
	D-2	2	2
	D-1	3.33	4
	P-5	5.75	6
	P-4	7.5	8
	P-3	9	11
	P-2	4.25	5
	Total A	32.83	37
B.	General Service category	20.5	22
	Total B	20.5	22
	TOTAL (A+B)	53.33	59

Table 3. Resource requirements for the conference servicing contingency (US$ thousand)

Item of expenditure		1998	1999
I.	Meeting servicing[3]	419.4	431.5
II.	Documentation[4]	698.5	737.4
III.	Other requirements[5]	707.5	728.1
IV.	Travel of staff to meetings[6]	265.5	265.5
V.	Miscellaneous[7]	10.5	10.5
VI.	Contingencies and exchange rate fluctuation	63.0	65.2
	SUBTOTAL	2,164.4	2,238.2
VII.	Overhead charge[8]	281.4	291.0
VIII.	Working Capital Reserve[9]	203.0	6.9
	TOTAL	2,648.8	2,536.1

[3] Includes interpretation and meeting room staff.

[4] Includes revision, translation, typing, reproduction and distribution of pre-, in- and post-session documentation.

[5] Includes remote translation requirements, key supervisory staff, freight, communications.

[6] Includes travel of interpreters and key supervisory staff, including planning missions.

[7] Includes estimated cost of initial stock of meeting stationery and supplies.

[8] Standard 13 per cent applied by the United Nations for administrative support.

[9] In accordance with paragraph 14 of the financial procedures. The 1998 amount has been calculated as 8.3 per cent of the subtotal of I-VII; the 1999 amount has been calculated as the amount required to bring the carried-over 1998 reserve to 8.3 per c ent of the subtotal of I-VII for 1999.

Table 3 (Cont.) Staffing requirements for the conference servicing contingency

		1998	1999
A.	Professional category and above		
	P-4	1	1
	Total A	1	1
B.	General Service category	4	4
	Total B	4	4
	TOTAL (A+B)	5	5

Table 4 Resource requirements for the post-Kyoto contingency (US$ thousand)

	Item of expenditure	1998	1999
A.	Staff costs		
	Posts	165.5	340.5
	Overtime	2.2	4.5
B.	Consultants	54.0	54.0
C	Travel on official business	20.5	45.5
	SUBTOTAL	242.2	444.5
	Overhead charge	31.5	57.8
	Cash reserve	22.7	41.7
	TOTAL	296.4	544.0

Staffing requirements for the post-Kyoto contingency

		1998	1999
A.	Professional category and above		
	D-1	0.5	1
	P-3	0.5	1
	Total A	1	2
B.	General Service category	0.5	1
	Total B	0.5	1
	TOTAL (A+B)	1.5	3

Table 5. Summary of other voluntary funding resource estimates for the biennium 1998-1999 (US$ thousand)

Proposed source of funding	1998	1999
Trust Fund for Participation in the UNFCCC Process	2,256.1	2,324.4
Trust Fund for Supplementary Activities	2,062.6	2,086.2
TOTAL	4,318.7	4,410.6

Annex IV

ADMINISTRATIVE AND FINANCIAL MATTERS: VOLUME OF DOCUMENTATION

Draft decision for the COP

The Conference of the Parties,

Recalling its decision 17CP.2, paragraph 2, whereby it requested the Executive Secretary to submit to the Subsidiary Body for Implementation, at its fifth session further options for reducing the cost of documentation for the meetings of the Conference of the Parties and its subsidiary bodies,

1. *Takes note* of the efforts of the Convention secretariat to reduce the volume of documentation, as indicated in paragraphs 9 and 10 of document FCCC/SBI/1997/12 on volume of documentation;

2. *Requests* the Executive Secretary to explore with the United Nations, the possibility of ensuring unlimited access to all language versions of the documents of the United Nations Framework Convention on Climate Change that the United Nations makes available on its optical disk system on a restricted page on the World Wide Web.

3. *Invites* the Parties:

(a) To limit the volume of their submissions for circulation to Convention bodies, including those that do not require translation;

(b) To focus the content of submissions on material pertinent to the forthcoming sessions of the subsidiary bodies and to seek to avoid repetition of previously presented statements;

(c) To limit their requests for numbers of hard copies of documents;

(d) To limit the requests for documents that need to be translated; and

(e) To schedule the delivery of documents in a timely manner that corresponds to the capacity of the Convention bodies to consider them.

4. *Notes* the intention of the Executive Secretary to advise presiding officers on the feasibility of producing in a timely manner, the documentation envisaged in the conclusions of subsidiary bodies, before those conclusions are adopted.

Annex V

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS: ARRANGEMENTS FOR THE FOURTH SESSION OF THE CONFERENCE OF THE PARTIES

Draft decision for the COP

The Conference of the Parties,

Recalling Articles 7.4 and 4.2(d) and (f) of the Convention,

1. *Decides* that COP 4 should be held in November 1998; the venue would be Bonn, unless a proposal by a Party to host the Conference is received; and

2. *Requests* the Executive Secretary to initiate the preparations for the Conference.

Appendix I

DRAFT PROPOSAL BY THE GROUP OF 77 AND CHINA: CONSIDERATION OF INITIAL COMMUNICATIONS FROM PARTIES NOT INCLUDED IN ANNEX I TO THE CONVENTION

The Conference of the Parties,

Recalling Articles 12.1, 12.5, and 12.7 of the United Nations Framework Convention on Climate Change,

Recalling also its decisions 8/CP.1 and 10/CP.2 on first communications from Parties not included in Annex I to the Convention,

Noting that each developing country Party shall make its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3, and that Parties that are least developed may make their submission at their discretion,

Recognizing that the initial communications from Parties not included in Annex I to the Convention shall be submitted in a staggered manner because of the different timing of the provision of funding from the interim financial mechanism,

Recognizing further that the initial communications from Parties not included in Annex I of the Convention shall be considered on overall and aggregate basis in accordance with Article 10.2(a),

1. *Decides that the Conference of the Parties,*

(a) Shall consider the overall aggregate effects of measures taken pursuant to the Convention, in accordance with Article 10.2(a), taking into account Article 4.7 and information communicated under Article 12.3;

(b) Shall compile a list of projects for financing submitted by Parties not included in Annex I to the Convention in accordance with Article 12.4;

(c) Shall seek funding from the financial mechanism in accordance with policy guidance, programme priorities and eligibility criteria provided under decision 11/CP.1 and the guidance provided in decision 11/CP.2, based on the list of projects submitted; and

(d) Shall consider the communications from Parties not included in Annex I in a facilitative, non-confrontational, open, and transparent manner.

2. *Decides* also that the Subsidiary Body for Implementation,

(a) Shall conduct consideration of initial communications from non-Annex I Parties, on an annual or biennial basis, depending on the submission received in any particular year; and

(b) Shall submit a synthesis report to the Conference of the Parties updating the overall aggregate effects of measures taken pursuant to the Convention, in accordance with Article 10.2(a).

3. *Decides* further that the Subsidiary Body for Scientific and Technological Advice conduct scientific assessments of the overall aggregate effects of measures taken in accordance with Article 9.2(b).

4. *Requests* the secretariat,

(a) Drawing on the experience on the overall aggregate compilation of initial communications from Parties not included in Annex I, to prepare a report on the guidelines for the preparation of initial communications with a view, among other things, to further enhancing the comparability and focus of the communications; and

(b) To provide any other assistance that may be required by non-Annex I Parties for the periodic preparation of national communications, in accordance with Article 8.2(c).

Appendix II

DRAFT PROPOSAL BY THE UNITED STATES OF AMERICA FOR A DECISION ON THE PROCESS FOR CONSIDERATION OF INITIAL COMMUNICATIONS FROM PARTIES NOT INCLUDED IN ANNEX I

The Conference of the Parties,

Recalling Articles 4.1, 7.2, 9.2(b), 9.2(c), 9.2(d), 10.2(a), 12.1, 12.5, 12.7 of the United Nations Framework Convention on Climate Change,

Recalling also its decisions 7/C.1, 3/C.2, 8/C.2, 10/C.2 and 11/C.2,

Recalling in particular, Article 12.5 which provides that each developing country Party shall make its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3 and that Parties that are least developed may make their submission at their discretion,

Noting that the frequency of subsequent communications by all Parties, and the timing of the process of consideration of national communications will need to be determined by the Conference of the Parties, taking into account the differentiated timetable for the submission of national communications of Parties not included in Annex I,

Bearing in mind the importance of timely technical and financial support for the preparation of national communications,

1. *Requests* the Global Environment Facility to expedite approval and disbursement of financial resources for the preparation of initial communications.

2. *Decides*:

(a) That the information contained in initial communications from Parties not included in Annex I will be considered in a facilitative, non-confrontational and transparent manner to ensure that the Conference of the Parties has accurate, consistent and relevant information:

(i) To assess the implementation of the Convention by the Parties and the overall effects of measures taken pursuant to the Convention;

(ii) To facilitate implementation of commitments under Article 4.1;

(iii) To promote and facilitate the exchange of information on Parties' experience in implementing commitments;

(iv) To promote and guide the development and refinement of methodologies and guidelines to enhance the accuracy, completeness and comparability of Parties' national communications;

(v) To arrange for the provision of technical and financial support to developing country Parties in preparing national communications and in identifying the technical and financial needs associated with proposed projects and response measures under Article 4; and

(vi) To provide appropriate guidance to the Global Environment Facility on programme priorities and operational policies.

(b) That the consideration of initial communications from Parties not included in Annex I will include the following tasks:

(i) Assess quantitative and qualitative information for consistency with applicable guidelines adopted by Parties;

(ii) Assess the overall aggregated effects of steps taken to implement the Convention;

(iii) Identify the informational, technical and financial needs of Parties not included in Annex I related to implementation of commitments, and in particular those associated with proposed projects and response measures under Article 4;

(iv) Describe progress in implementation of the Convention;

(v) Aggregate information contained in national communications; and

(vi) Prepare a report on the application of guidelines for the preparation of initial communications from Parties not included in Annex I with a view to further enhancing the accuracy, completeness, comparability and focus of national communications.

3. *Requests* the secretariat:

(a) To facilitate the provision of assistance to non-Annex I Parties in the preparation of national communications;

(b) To co-ordinate and facilitate the consideration of national communications of Parties not included in Annex I;

(c) To select, under the guidance of the Chairmen of the subsidiary bodies, the experts from names nominated by Parties to assist in this consideration process;

(d) To compile and synthesize information contained in individual national communications part of the annual report on implementation;

(e) To compile and make available to Parties, a compendium of projects and related information submitted by Parties not included in Annex I in accordance with Article 12.4;

(f) To arrange and host regional workshops to provide for expert discussion of information contained in national communications, with a view to identifying and overcoming barriers to implementation, and identifying additional information and resource needs and means to address them;

(g) To note instances where in-country expert visits would be beneficial to promote greater understanding of a Party's specific national circumstances, inventory data or efforts to respond to climate change; and

(h) Upon request by a Party, to arrange for voluntary, in-country, expert visits for individual consideration of national communications.

4. *Invites* parties to nominate experts to assist in the consideration of national communications; and

5. *Urges* parties not included in Annex I of the Convention to submit their first national communications as soon as possible.

Appendix III

PROPOSED CHAIRMAN'S DRAFT ON

Agenda item 5 of the Subsidiary Body for Implementation at its sixth session

[Decision --/CP.--]

Review of the Financial Mechanism

The Conference of the Parties,

Recalling Article 11.4 of the Convention, decisions 9/CP.1 and 11/CP.2,

Noting the guidelines adopted at the fifth session of the Subsidiary Body for Implementation, for the review of the Global Environment Facility in its role as the operating entity of the financial mechanism on an interim basis,

Noting with appreciation the information so far received from the Global Environment Facility, the synthesis report by the secretariat presented to the Subsidiary Body for Implementation at its sixth session and the FIRST compilation of views submitted by Parties; [AND ALSO THE WORK DONE BY THE Global Environment Facility SINCE ITS INCEPTION],

[*Noting* also the WORK DONE by the Global Environment Facility since its inception, including its restructuring and first replenishment],

[*Noting* further the INITIAL concerns AND VIEWS raised SO FAR by some [non-Annex I] Parties on their experiences with the financial mechanism as detailed in documentS FCCC/SBI/1997/MISC.3 AND ADDENDUM 1, AS WELL AS THE RELEVANT PREAMBULAR PARAGRAPHS IN DECISION 11/CP.2 and recognizing the need for these issues to be dealt with effectively and in a transparent manner],

Welcoming the relevant outcomes of the Nineteenth Special Session of the United Nations General Assembly pertaining to the Global Environment Facility, which recognized that:

[(A) IMPLEMENTATION OF AND COMPLIANCE WITH COMMITMENTS MADE UNDER INTERNATIONAL TREATIES AND OTHER INSTRUMENTS IN THE FIELD OF ENVIRONMENT REMAINS A PRIORITY. IMPLEMENTATION CAN BE PROMOTED BY SECURE, SUSTAINED AND PREDICTABLE FINANCIAL SUPPORT, SUFFICIENT INSTITUTIONAL CAPACITY, HUMAN RESOURCES AND ADEQUATE ACCESS TO TECHNOLOGY],

(a) Continued and full donor commitments to adequate, sustained and predictable funding for Global Environment Facility operations is important for developing countries so that global environmental benefits can be further achieved;

(b) Donor countries are urged to engage in providing new and additional resources, with a view to equitable burden-sharing, through a satisfactory replenishment of the Global Environment Facility, which makes available grant and concessional funding designed to achieve global environmental benefits, thereby promoting sustainable development;

(c) Consideration should be given to further exploring the flexibility of the existing mandate of the Global Environment Facility in supporting activities to achieve global environmental benefits; and

(d) With regard to the project cycle, further efforts should be made to continue streamlining the decision-making process in order to maintain an effective and efficient, as well as transparent, participatory and democratic framework.

Recognizing the need to obtain further views and additional information as contained in the Guidelines adopted by the Subsidiary Body for Implementation at its fifth session, [the fact that the experience with the Global Environment Facility for most [SOME] Parties is new and the need for a substantial second replenishment of the Global Environment Facility,]

[*Recognizing* also the need to establish a process whereby the activities of the financial mechanism can be considered on a continual basis by the Subsidiary Body for Implementation,]

[Option 1

1. *Decides* to appoint the Global Environment Facility as the financial mechanism of the Convention, subject to satisfactory future reviews which shall take place at intervals no greater than four years;

2. *Decides* to initiate arrangements for Parties to further consider the activities of the Global Environment Facility and which shall add to the information available for future reviews. These arrangements shall include the following:

(a) Any Party that wishes to bring issues regarding the performance of financial mechanism to the attention of the Subsidiary Body for Implementation shall submit details to the secretariat no later than two months before its next session; and

(b) The secretariat shall forward these details to the Global Environment Facility Secretariat with the request that, where required, they provide a response in sufficient time for

the secretariat to publish both the Party's submission and the Global Environment Facility's response and make this available in a compilation document for the consideration of the next meeting of the SBI.

3. This process shall be additional to those established under the Memorandum of Understanding between the Global Environment Facility and the Conference of the Parties for the reconsideration of funding decisions as allowed for under Article 11.3(c) and the review of the financial mechanism by the Conference of the Parties on the conformity of its activities with the policies, programme priorities and eligibility criteria established by the COP.]

[Option 2

1. *Decides* that further information, in accordance with the guidelines for the review process, should be provided;

2. *Decides* to continue the review process through the Subsidiary Body for Implementation in accordance with the criteria established in the guidelines adopted by the Subsidiary Body for Implementation at its fifth session; and

3. *Decides* that the Global Environment Facility continues to operate the financial mechanism of the Convention on an interim basis pending the outcome of reviews of the Financial Mechanism by the Conference of the Parties at its fourth session, to be completed in accordance with decisions 9/CP.1 and 11/CP.2 and with the guidelines adopted at the fifth session of the Subsidiary Body for Implementation.]

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UNITED NATIONS

Framework Convention on Climate Change

Distr.
GENERAL

FCCC/SBI/1997/17
29 August 1997

Original: ENGLISH

SUBSIDIARY BODY FOR IMPLEMENTATION
Seventh session
Bonn, 20-29 October 1997
Item 2 (a) of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

Note by the Executive Secretary

I. INTRODUCTION

1. Arrangements have been made for the seventh session of the Subsidiary Body for Implementation (SBI) to be held at the Beethovenhalle, Bonn, from 20 to 29 October 1997. The session will be opened by the Chairman at 10 a.m. on Monday, 20 October 1997.

II. PROVISIONAL AGENDA

2. The provisional agenda for the seventh session of the SBI, proposed after consultation with the Chairman, is as follows:

1. Opening of the session.

2. Organizational matters:

   (a) Adoption of the agenda;
   (b) Organization of the work of the session.

3. National communications:

   (a) Communications from Parties included in Annex I to the Convention;
   (b) Communications from Parties not included in Annex I to the Convention.

4. Financial mechanism: Review process referred to in decision 9/CP.1.

5. Activities implemented jointly under the pilot phase.

6. Development and transfer of technologies.

7. Arrangements for intergovernmental meetings.

8. Proposed amendments to the Convention.

9. Administrative and financial matters.

10. Mechanisms for consultation with non-governmental organizations (NGOs).

11. Legal matters: Implementation of the Headquarters Agreement.

12. Report on the session.

III. ANNOTATIONS TO THE PROVISIONAL AGENDA

1. Opening of the session

3. The seventh session of the SBI will be opened by the Chairman at 10 a.m. on Monday, 20 October 1997.

2. Organizational matters

(a) Adoption of the agenda

4. The provisional agenda for the seventh session of the SBI is presented for adoption (see paragraph 2 above).

(b) Organization of the work of the session

(i) Co-ordination with the SBSTA

5. The SBI will need to prepare at its seventh session its recommendations to the third session of the Conference of the Parties (COP 3) on some matters before it. The SBI may wish to continue following the approach it had taken at its sixth session.

6. The provisional agenda and annotations reflect the recommendations on the division of labour between the SBI and the Subsidiary Body for Scientific and Technological Advice

(SBSTA) that were adopted by both bodies at their sixth sessions. At their seventh sessions, several agenda items are common to both. This is, *inter alia*, a reflection of the need for the SBI to assist the COP in its reviews on the effective implementation of the Convention. Several ways exist to ensure co-ordination on such issues between the subsidiary bodies. For example, ad-hoc joint sessions could be held. Alternatively, one body may request the other to handle the issue on its behalf, in order to ensure an integral consideration. Another option is that one body may take overall responsibility in considering an issue, requesting adequate and specific inputs from the other body. Or finally, informal joint drafting groups could be established.

7. The Chairmen of the SBI and the SBSTA may make proposals on the organization of work of such common items, for consideration by the bodies.

(ii) Documentation

8. The provisional agenda has been drawn up taking account of the expected timely availability of documentation in the six languages of the United Nations. There are some exceptions as indicated below.

9. Documents FCCC/SBI/1997/18, FCCC/SBI/1997/19 and Add.1, FCCC/SBI/1997/22, FCCC/SBI/1997/INF.1/REV.1, FCCC/SBI/1997/INF.3, FCCC/SBI/1997/INF.4, FCCC/SBI/1997/INF.5, FCCC/SBI/1997/INF.6, FCCC/SBI/1997/INF.7, FCCC/SBI/1997/INF.8, FCCC/SBI/1997/MISC.7, and FCCC/SBI/1997/MISC.8 may be late.

10. A list of documents relating to the provisional agenda, as well as other documents available at the session, is contained in annex I to this document.

(iii) Schedule

11. The scheduling of meetings for the session will be based on the availability of facilities during normal working hours when services are available for one meeting with interpretation from 10 a.m. to 1 p.m. and 3 p.m. to 6 p.m. There will also be some facilities for informal meetings without interpretation. Delegations are urged to use these facilities fully by attending all meetings promptly at the scheduled time. A suggested approach to the organization of work is contained in annex II to this document.

3. National communications

(a) Communications from Parties included in Annex I to the Convention

12. The Subsidiary Body for Scientific and Technological Advice (SBSTA), at its fifth session, *inter alia*, requested the secretariat to prepare an initial compilation and synthesis by the seventh session of the SBSTA for all second communications received by 15 April 1997 (see document FCCC/SBSTA/1997/4).

13. The SBI, at its sixth session requested the secretariat to submit a report on progress achieved in returning individually or jointly to their 1990 levels anthropogenic emission of CO_2 and other greenhouse gases (GHGs) not controlled by the Montreal Protocol and projected emissions by sources and removals by sinks of such gases in the year 2000 by each Annex I Party, on the basis of its national communication (FCCC/SBI/1997/16).

14. In response to these requests the secretariat has prepared the first compilation and synthesis report of second national communications received by the secretariat by 15 August 1997 (FCCC/SBI/1997/19 and Add.1) and an information document (FCCC/SBI/1997/INF.4) which analyzes the progress achieved by Annex I Parties. However, due to the late availability of second communications the analysis cannot be exhaustive.

15. In accordance with the division of labour between the subsidiary bodies, the SBI may wish to consider these documents with a view to evaluating the progress achieved so far. The SBI may also wish to take into consideration an earlier document containing updated information on GHG emissions and projections (FCCC/SB/1997/6) drawn from all available communications and prepared for the sixth sessions of the subsidiary bodies.

16. At its second session, by its decision 9/CP.2, the COP decided that the review process should be continued in accordance with its relevant decisions (FCCC/CP/1996/15/Add.1). The secretariat will make a report on the progress achieved in the process of reviewing first national communications from Parties included in Annex I to the Convention and on the status of submission of their second national communications (FCCC/SBI/1997/INF.6).

17. At the request of the SBI (FCCC/SBI/1997/16, para. 16 (a)), at its sixth session, the secretariat will prepare a report on experiences with the review process of first national communications (FCCC/SBI/1997/20).

18. At the request of the SBI (FCCC/SBI/1997/16, para. 16 (c)), at its sixth session, and on the basis of responses received from Annex I Parties, the secretariat has prepared the schedule of the in-depth review (IDR) of their second national communications. The SBI may wish to take note of this schedule (FCCC/SBI/1997/INF.5) and invite Parties to adhere to the schedule to the extent possible.

19. The SBI may wish to note that the secretariat has prepared an overview of the information on transfer of technologies by Annex II Parties (FCCC/SBSTA/1997/13) on the basis of second communications. This overview, in accordance with the division of labour, is to be considered by the SBSTA.

(b) Communications from Parties not included in Annex I to the Convention

(i) Secretariat activities to facilitate the provision of financial and technical support

20. At its second session, by its decision 10/CP.2, paragraph 1(a), the COP requested the secretariat, in accordance with Article 8.2(c), to facilitate assistance to Parties, particularly developing country Parties, in the preparation of their initial communications through the organization of workshops at the regional level; to provide a forum for the exchange of experiences in the development of emission factors and activity data for the estimation of the inventory, as well as, on request, for other elements of information in the initial communication; and to provide a report to the SBI and the SBSTA at each of their sessions (FCCC/CP/1996/15/Add.1). The secretariat will provide a progress report on these issues in document FCCC/SBI/1997/INF.3, which also contains updates to the information on the indicated dates of submission of the initial national communications of non-Annex I Parties which had been presented to the SBI at its sixth session (FCCC/SBI/1997/13).

(ii) Information on relevant action by the Council of the Global Environment Facility (GEF)

21. At its second session, by its decision 10/CP.2, paragraph 1(b), the COP requested the secretariat to make available to the SBI, at each of its sessions, details of the financial support provided to non-Annex I Parties by the GEF for the preparation of their initial communications (see FCCC/CP/1996/15/Add.1). This information will be contained in the report of the GEF to the Conference of the Parties (FCCC/SBI/1997/22).

(iii) Process for considering non-Annex I communications

22. At its sixth session, the SBI took note of the views expressed by Parties and of two proposals for a draft decision (FCCC/SBI/1997/16, para. 19 (b)). It invited Parties to submit further views by 8 September 1997 and requested the secretariat to make them available to the SBI in order to facilitate consideration of a draft decision for submission to COP 3. The compilation of submissions will be contained in document FCCC/SBI/1997/MISC.8.

4. Financial mechanism: Review process referred to in decision 9/CP.1

23. As requested by decision 11/CP.2 of the COP, the SBI, at its fifth session, began to undertake the review process of the financial mechanism referred to in decision 9/CP.1 on the basis of guidelines contained in document FCCC/SBI/1997/6 paragraphs 27-28 with a view to report on the outcome to COP 3.

24. At its sixth session, the SBI considered information from the GEF, the synthesis report by the secretariat (FCCC/SBI/1997/8), a first compilation of views submitted by Parties (FCCC/SBI/1997/MISC.3 and Add.1), as well as the draft decision proposed by the Chairman

(FCCC/SBI/1997/16, appendix III). It urged all Parties to submit their views on the financial mechanism in accordance with the guidelines for its review no later than 15 September 1997.

25. The secretariat will provide a compilation of these submissions in document FCCC/SBI/1997/MISC.9.

26. At its sixth session, the SBI also invited the GEF, in providing information relevant to the review, to take into account the views expressed by Parties. The report of the GEF to the Third Session of the Conference of the Parties will be provided in document FCCC/SBI/1997/22.

5. Activities implemented jointly under the pilot phase

27. At its first session, by its decision 5/CP.1, paragraph 2(c), the COP requested the SBI and the SBSTA, with the assistance of the secretariat, to prepare a synthesis report for consideration by the COP (FCCC/CP/1995/7/Add.1).

28. In keeping with decision 5/CP.1, paragraph 3(a), the COP, at its third session, shall review the progress of the pilot phase on the basis of the abovementioned synthesis report with a view to taking appropriate decisions on the continuation of the pilot phase. Consistent with paragraph 3(b) of the same decision, the COP, in so doing, shall also take into consideration the need for a comprehensive review of the pilot phase in order to take a conclusive decision on the pilot phase and the progression beyond that, no later than the end of the present decade (FCCC/CP/1995/7/Add.1).

29. At its seventh session, the SBI may wish to prepare a recommendation to be adopted by the COP at its third session on the aforementioned issues, taking into consideration conclusions on technical and scientific aspects drawn by the SBSTA at its seventh session.

6. Development and transfer of technologies

30. At its second session, the COP adopted decision 7/CP.2 on the development and transfer of technologies in which, *inter alia*, reaffirmed the full text of its decision 13/CP.1 agreed at its first session (FCCC/CP/1996/15/Add.1).

31. By its decision 7/CP.2, the COP, further decided to review, at its third session and at each of its sessions thereafter, the implementation of Article 4.5 and 4.1(c) of the Convention and to request the SBI to evaluate and report on the transfer of technologies being undertaken between Annex II Parties and other Parties (FCCC/CP/1996/15/Add.1).

32. The SBI may wish to assess and review, within its mandate and taking into account the division of labour with the SBSTA, the implementation of the relevant articles of the Convention and decisions by the COP. The SBI may base itself, in particular, on the first compilation and synthesis of second communications (FCCC/SBI/1997/19), noting that the

SBSTA will have the responsibility for providing advice on all scientific, technological and methodological aspects of the development and transfer of technologies.

7. Arrangements for intergovernmental meetings

33. At its sixth session, the SBI, invited any Party considering to make an offer to host COP 4 to communicate such proposal to the secretariat before 30 September 1997. The secretariat will inform the SBI of any such offer received.

8. Proposed amendments to the Convention

34. At its sixth session, the SBI agreed to conduct a preliminary exchange of views on the proposed amendments to the Convention at that session. In all, four proposals for amendments were submitted by Parties. The proposals from Pakistan and Azerbaijan were submitted at the request of Turkey and they seek the deletion of the name of Turkey from the lists of Parties included in annexes according to Articles 15 and 16 or through the review process envisaged in Article 4.2(f) of the Convention.

35. The proposal submitted by the Netherlands on behalf of the European Community and its member States seeks to amend Article 17 of the Convention and the proposal submitted by Kuwait seeks to amend Article 4.3 of the Convention. The SBI may wish to take note of the proposal by Pakistan that its amendment proposal should be sent directly to COP 3 for consideration. The SBI is invited to consider the proposed amendments contained in document FCCC/SBI/1997/15 and communicate its views to the COP at its third session.

9. Administrative and financial matters

36. At its second session, the COP, requested the Executive Secretary to submit to the COP at its third session, through the SBI, a second report on the financial performance of the Convention in the 1996-1997 biennium (see decision 16/CP.2 in document FCCC/CP/1996/15/Add.1). In response to this request, the Executive Secretary will prepare the note contained in document FCCC/SBI/1997/18. This note provides information on income, expenditure, and related budgetary matters for all three of the current Convention funds (the Trust Fund for the Core Budget, the Trust Fund for Participation, and the Trust Fund for Supplementary Activities). It also includes a request for the creation of a new trust fund for the special annual contribution of the Government of Germany (the "Bonn Fund"). The note should be read in conjunction with document FCCC/SBI/1997/INF.7, which contains a number of supporting tables.

37. In relation to administration, the arrangements for provision by the United Nations of administrative support to the Convention secretariat were initially proposed by the Secretary-General and accepted by the COP at its first session (see decision 14/CP.1 in document FCCC/CP/1995/7/Add.1). As indicated in a note by the secretariat submitted to the SBI at its last session (FCCC/SBI/1997/INF.2), these arrangements are the subject of review

undertaken jointly by the United Nations Department of Administration and Management and the Convention secretariat. The final results of this review will be presented in document FCCC/SBI/1997/INF.8.

10. Mechanisms for consultation with non-governmental organizations (NGOs)

38. At its sixth session, the SBI took note of documents FCCC/SBI/1997/14 and Add.1 presented by the secretariat on agenda item 10, mechanisms for consultations with non-governmental organizations.

39. After having considered this item, and taking into account views expressed, the SBI urged all Parties to submit their views on this item no later than 25 August 1997. These views will be compiled by the secretariat in document FCCC/SBI/1997/MISC.7.

40. Taking into account the documents mentioned above, the SBI may wish to recommend a draft decision on this item for adoption by the COP at its third session.

11. Legal matters: Implementation of the Headquarters Agreement

41. At its fifth session, the SBI took note of the actions by the United Nations and the Government of Germany to complete the formal requirements for the entry into force of the Agreement among the United Nations, the Government of Germany and the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) concerning the Headquarters of the Climate Change secretariat, and requested the secretariat to provide to the SBI relevant information at its next session. The Federal Foreign Office of Germany, by a note verbale dated 17 July 1997, informed the secretariat that the Federal Republic of Germany had fulfilled the national requirements for the entry into force of the Agreement between the Government of the Federal Republic of Germany, the United Nations and the secretariat of the United Nations Framework Convention on Climate Change in accordance with Article 6, paragraph 6, of the Agreement of 20 June 1996.

42. It may be recalled that the COP, at its second session, by its decision 15/CP.2, approved the abovementioned Agreement, and the United Nations completed the formal requirements for entry into force of the Agreement in December 1996.
The Government of Germany in December 1996 issued an ordinance on the provisional application of the Agreement in accordance with Article 6, paragraph 5, with the exception of Article 3. By this action of the Government of Germany, all the provisions of the Agreement entered into force on the day following the date of receipt of the last notifications by which the parties to the Agreement will have informed each other of the completion of their respective formalities. The SBI is invited to take note of the action by the Government of Germany and the entry into force of the Agreement on 18 July 1997.

12. Report on the session

43. Due to the relatively short duration of the session and the number of items on its agenda, a complete draft text of the report might not be available at the end of the session. The SBI may wish to adopt decisions or texts of substantive conclusions, and authorize the Rapporteur to complete the report after the session with the guidance of the Chairman and the assistance of the secretariat. Subject to the availability of sufficient time for their translation, conclusions will be made available in all languages.

Annex I

DOCUMENTS BEFORE THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS SEVENTH SESSION

Documents prepared for the session

FCCC/SBI/1997/17	Provisional agenda and annotations.
FCCC/SBI/1997/18	Financial performance of UNFCCC: Contributions and expenditures in 1996-1997.
FCCC/SBI/1997/19	Communications from Parties included in Annex I to the Convention: First compilation and synthesis of second communications.
FCCC/SBI/1997/19/Add.1	Communications from Parties included in Annex I to the Convention: First compilation and synthesis of second communications. Addendum. Tables of inventories of anthropogenic emissions and removals and projections up to the year 2020.
FCCC/SBI/1997/20	Experience with the review of first national communications from Annex I Parties.
FCCC/SBI/1997/21	Arrangements for intergovernmental meetings.
FCCC/SBI/1997/22	Financial Mechanism: Report of the GEF to the Conference of the Parties. Note by the secretariat.
FCCC/SBI/1997/INF.3	Communications from Parties not included in Annex I to the Convention. Progress Report.
FCCC/SBI/1997/INF.4	Communications from Parties included in Annex I to the Convention. First compilation and synthesis of second communications. Addendum: Additional information from late submissions.
FCCC/SBI/1997/INF.5	Schedule of in-depth review of the second national communications from Annex I Parties.

FCCC/SBI/1997/INF.6	Status report on the review of first national communications of Annex I Parties and the submission of second national communications.
FCCC/SBI/1997/INF.7	Financial performance of UNFCCC: Contributions and expenditures in 1996-1997. Supplementary tables.
FCCC/SBI/1997/INF.8	Review of administrative arrangements. Note by the secretariat
FCCC/SBI/1997/MISC.7	NGO (title to come).
FCCC/SBI/1997/MISC.8	Communications from Parties not included in Annex I to the Convention: Views of Parties on a process for considering non-Annex I communications: Update.
FCCC/SBI/1997/MISC.9	Financial Mechanism: Review process referred to in decision 9/CP.1. Compilation of submissions by Parties.

Other documents for the session

FCCC/SBI/1997/6	Report of the Subsidiary Body for Implementation on the work of its fifth session, Bonn 25 February - 6 March 1997.
FCCC/SBI/1997/8	Financial and technical cooperation: Financial mechanism: Review process referred to in decision 9/CP.1. Synthesis report.
FCCC/SBI/1997/13	Communications from Parties not included in Annex I to the Convention. Information on the submission of initial national communications.
FCCC/SBI/1997/14	Mechanisms for consultations with non-governmental organizations (NGOs). Note by the secretariat.
FCCC/SBI/1997/14/Add.1	Mechanisms for consultations with non-governmental organizations. Addendum. The participation of NGOs in the Convention process. Note by the Executive Secretary.

FCCC/SBI/1997/15	Arrangements for intergovernmental meetings. Amendments to the Convention or its Annexes. Letters from the Islamic Republic of Pakistan, the Azerbaijan Republic, the Netherlands (on behalf of the European Community and its Member States) and Kuwait proposing amendments to the Convention or its Annexes. Note by the secretariat.
FCCC/SBI/1997/16	Report of the Subsidiary Body for Implementation on the work of its sixth session, Bonn, 28 July - 5 August 1997.
FCCC/SBI/1997/INF.2	Administrative and financial matters. Review of Administrative Arrangements. Note by the secretariat.
FCCC/SBI/1997/MISC.3	Financial mechanism. Review process referred to in decision 9/CP.1. Compilation of submissions. Note by the secretariat.
FCCC/SBI/1997/MISC.3/Add.1	Financial mechanism. Review process referred to in decision 9/CP.1. Additional submission. Addendum. Note by the secretariat.
FCCC/SB/1997/6	Communications from Parties included in Annex I to the Convention. Inventory and projection data.
FCCC/CP/1996/15/Add.1	Report of the Conference of the Parties on its second session, held at Geneva from 8 - 19 July 1996. Part two.
FCCC/SBSTA/1997/4	Report of the Subsidiary Body for Scientific and Technological Advice on the work of its sixth session, Bonn, 28 July - 5 August 1997.
FCCC/SBSTA/199713	Second communications from Parties included in Annex I to the Convention. Activities of Parties included in Annex II related to transfer of technology.

Annex II

PROPOSED SCHEDULE OF WORK FOR THE SEVENTH SESSION OF THE SUBSIDIARY BODY FOR IMPLEMENTATION[1]

	Monday 20 October	Tuesday 21 October	Wednesday 22 October	Thursday 23 October	Wednesday 29 October
10 a m to 1 p m	Items 1, 2, 3 (b), 5 & 6	Items 3 (a), 4, 7, 8 & 10			Item 12
3 p m to 6 p m				Items 9 & 11	

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1 Some meetings of the SBI will be held in parallel with informal meetings of the SBSTA and the AGBM